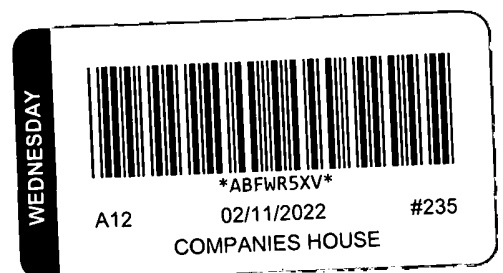


Registered number: 05366382

PNMSOFT UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



PNMSOFT UK LIMITED

COMPANY INFORMATION

Director	S M Bridges
Company secretary	Entity Central Corporate Services (UK) Limited
Registered number	05366382
Registered office	6 Lloyds Avenue Suite 4cl London United Kingdom EC3N 3AX
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP

PNMSOFT UK LIMITED

CONTENTS

	Page
Strategic Report	1 - 4
Director's Report	5 - 6
Independent Auditor's Report	7 - 10
Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 - 30

PNMSOFT UK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The Directors present their Strategic Report for the year ended 31st December 2021.

PNMSOFT UK Limited (the "Company") is a wholly owned subsidiary PNMSOFT Israel and ultimately a wholly-owned subsidiary of Genpact Limited, a publicly traded Company. Genpact Limited, together with its subsidiaries, including the Company, is referred to herein as "Genpact."

Business review

The Directors are pleased to report that 2021 was another successful year for the Company.

In 2021, the Company continued its principal activities of consultancy services.

Management uses a range of performance measures to monitor and manage the Company's business. These performance indicators are comprised of financial and non-financial key performance indicators. As shown in the Company's profit and loss account, the Company's total revenues for 2021 have increased from the previous year. The Company made a profit before tax of £110,346 (2020 - £54,927) during the year. The Company's net asset position increased by £92,114 as of 31 December 2021 compared to 31 December 2020.

The Company is cautiously optimistic about the future. Genpact's end clients are under continued pressure to reduce costs, providing Genpact an opportunity to intervene and sell various solutions aimed at reducing client operating costs. Genpact's clients are also often interested in vendor consolidation to help them reduce costs. Clients' processes for onboarding new vendors are becoming more complex and time consuming. The Company is focusing on (i) expanding its relationships with existing clients in order to generate higher revenues and become preferred client partners and (ii) targeting for new business a smaller list of high priority prospective clients in industries where we have expertise.

Strategy, Objectives and Business model

The Company is the principal UK operating Company of the group of affiliated companies under the common ultimate ownership of Genpact Limited, a U.S.-listed public Company that files periodic reports with the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934. The Directors have not presented a separate description of the Company's strategy, objectives or business model as this information has been disclosed as part of Genpact Limited's annual report on Form 10-K for the year ended 31 December 2021.

Principal risks and uncertainties

The Company has numerous operating risks, including among others, relating to general inflationary pressures (including wage inflation), retention of employees, competition in its market and currency fluctuations. Policies for managing each of these risks are implemented at the parent company level and apply to the Company and its affiliates. Certain of these risks are summarized below:

PNMSOFT UK LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties (continued)

Competitive pressures

Our industry is highly competitive, highly fragmented and subject to rapid change. We believe that the principal competitive factors in our markets are breadth and depth of process, technology and domain expertise, service quality, the ability to attract, train and retain qualified people, compliance rigor, global delivery capabilities, price and marketing and sales capabilities. We compete for business with a variety of companies, including large multinational firms that provide consulting, technology and/or business process services, off-shore business process service providers in low-cost locations like India, in-house captives of potential clients, software services companies that also provide business process services and accounting firms that also provide consulting or outsourcing services.

Some of our competitors have greater financial, marketing, technological or other resources and larger client bases than we do, and may expand their service offerings and compete more effectively for clients and employees than we do. Some of our competitors have more established reputations and client relationships in our markets than we do. There could also be new competitors that are more powerful as a result of strategic consolidation of smaller competitors or of companies that each provide different services or service different industries.

Increased competition may result in lower prices and volumes, higher costs for resources, especially people, and lower profitability. We may not be able to supply clients with services that they deem superior and at competitive prices and we may lose business to our competitors. Any inability to compete effectively would adversely affect our business, results of operations and financial condition.

Our strategy focuses on responding to these types of risks by driving innovation that will enable us to expand our business into new growth areas.

Foreign currency risk

The Company is exposed to foreign currency risk arising from sales or purchases of services in currencies other than its functional currency. The Company manages this risk by maintaining and operating separate bank accounts denominated in various currencies in which it transacts. The Company also has in place arrangements to hedge a substantial portion of Indian rupee-U.S. dollar, euro-U.S. dollar, pound sterling-U.S. dollar, and Australian dollar-U.S. dollar foreign currency exposures.

Interest rate risk

The Company manages its interest rate risk by financing its operations through a mixture of retained profits, cash balances and balances with group undertakings.

Global risk

Broad global geopolitical tensions and actions that governments take in response may adversely impact us. For instance, the invasion of Ukraine by Russia in the first quarter of 2022 and the related sanctions and other measures being implemented or imposed in response to the invasion have in certain cases caused or contributed to and are likely to continue to cause or exacerbate supply chain disruption and inflation, regional instability, geopolitical shifts and could materially adversely affect global trade, currency exchange rates, regional economies and the global economy. While our affiliates do not have any operations in Russia or Ukraine, it is difficult to anticipate the impact of any of the foregoing on our business, and the conflict and actions taken in response to the conflict could increase our costs, disrupt our supply chain, or otherwise adversely affect our business. We continue to monitor the situation closely.

Employee retention risk

Our industry relies on large numbers of skilled employees and our success depends on our ability to attract, train and retain a sufficient number of qualified employees with the right mix of skills and experience to perform services for our clients. Historically, high employee attrition has been common in our industry. We cannot make any assurances as to our ability to reduce our level of attrition in the future or even maintain our attrition rate at the 2021 level. If our attrition rate increases beyond the 2021 level, our operating efficiency and productivity may decrease.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Principal risks and uncertainties (continued)

Employee retention risk

Competition for qualified employees remains high and we expect such competition to continue. We compete for employees not only with other companies in our industry but also with companies in other industries, such as software services, engineering services and financial services companies. We and our affiliates must hire or reskill, retain and motivate appropriate numbers of skilled employees with diverse experience in order to serve clients across the globe, respond quickly to rapid and ongoing changes in demand for our services and new technologies, and continuously innovate to grow our business. If we are unable to hire or retrain our employees to keep pace with the rapid and continuous changes in technology and the industries we serve, we may not be able to innovate quickly enough and fulfill client demand. If our business continues to grow, the number of people we will need to hire will increase. We will also need to increase our hiring if we are not able to maintain our attrition rate through innovative recruiting and retention policies.

In 2021, we faced increased competition for talent with scarce skills and capabilities in new technologies, and our competitors have directly targeted our employees with these highly sought-after skills and will likely continue to do so. As a result, we may be unable to cost-effectively hire and retain employees with these market-leading skills, which may cause us to incur increased costs or be unable to fulfill client demand for our services and solutions. Sustained competition for employees, or an increase in competition from the heightened levels seen in 2021, could have an adverse effect on our ability to expand our business and service our clients, as well as cause us to incur greater personnel expenses and training costs.

This risk is managed, among other practices, by continuous evaluation and improvement of job role and profile alignment, ensuring sufficient utilisation of employees, competitive pay and employee-friendly HR policies.

Impact of Brexit

The Company's Brexit Committee, which is sponsored by Genpact's Global Leadership Council, has assessed the expected impact of Brexit on its clients, suppliers and employees. The Company has evaluated a number of risks, including related to restrictions on free movement, limitations on transfers of personal data, currency risks as well as barriers to trade between the EU and UK. Given the global nature of the Company's business, the location of its affiliates' delivery centres, the types of services delivered to its clients and services received from suppliers, the Company does not envision a material risk to its overall business as a result of Brexit, and where the Company has identified potential risks, it has taken steps to mitigate their impact, including:

- Adopting contracting strategies to address concerns should a data adequacy agreement not be reached between the UK and the EU.
- Reminding colleagues of new travel requirements and work visa requirements in the travels system.
- Supporting colleagues through settlement scheme application requirements.

Impact of COVID-19 on our business and results of operations

The COVID-19 pandemic continues to impact the global economy and the markets in which we operate. For the year 2021, the pandemic had a modest negative impact on our results and may continue to have an impact on us in future periods. Our Global Leadership Council continues to coordinate and oversee our actions in response to the COVID-19 pandemic.

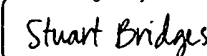
PNMSOFT UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Impact of COVID-19 on our business and results of operations (continued)

We will continue to assess the impact of the COVID-19 pandemic on the Company and respond accordingly. The ultimate impact of COVID-19 on our business and the industry in which we operate remains unknown and unpredictable. Our past results may not be indicative of our future performance, and our financial results in future periods, including but not limited to net revenues, income from operations, income from operations margin and net income, may differ materially from historical trends. The extent of the impact of the COVID-19 pandemic on our business will depend on a number of factors, including but not limited to the duration and severity of the pandemic; future variants or subvariants of the COVID-19 virus and the severity of such variants or subvariants; rates of vaccination and the availability and effectiveness of vaccines, including booster shots, and treatments for COVID-19 globally; the macroeconomic impact of the spread of the virus, including the possibility of prolonged decreases in spending on the types of services we provide, deterioration of our clients' credit, or reduced economic activity; and related government stimulus measures. We are currently unable to predict the full impact that the COVID-19 pandemic will have on our results from operations, financial condition, liquidity and cash flows due to numerous uncertainties, including with respect to the factors listed above. In addition, some of our expenses are less variable in nature and do not closely correlate with revenues, which may lead to a decrease in our profitability.

This report was approved by the board and signed on its behalf.

DocuSigned by:

40E6241F30C1480...

S M Bridges
Director

Date: 31-Oct-2022 | 6:48 AM BIT

PNMSOFT UK LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Director presents his report and the financial statements for the year ended 31 December 2021.

Director's responsibilities in respect of the financial statements

The Director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £92,114 (2020 - £31,818).

The Director did not recommend the payment of any dividends in 2021 (2020 - £Nil).

Director

The Director who served during the year was:

S M Bridges
I Bhattacharya (appointed 7 June 2021, resigned 30 April 2022)

Political contributions

The Company made no political contributions in 2021 (2020 - £Nil).

Going concern

These financial statements have been prepared on a going concern basis. The Directors have received assurance from the ultimate parent undertaking, Genpact Limited Bermuda, that they will receive financial assistance as necessary to continue to enable PNMSOFT UK Limited to continue to meet its liabilities as they fall due for the foreseeable future which is expected to be more than 12 months post signing of the financial statements.

PNMSOFT UK LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Qualifying third party indemnity provisions

There are no Director's indemnification arrangements other than as provided under the insurance maintained at the Genpact group level.

Matters covered in the Strategic Report

As permitted by section 414C(11) of the Companies Act 2006, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report instead. These matters relate to; business review and strategy, principal risks and uncertainties, impact of Brexit and impact of COVID-19.

Disclosure of information to auditor

The Director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Director has carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that this is a non-adjusting post balance sheet event with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Director has taken account of these potential impacts in their going concern assessment.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Stuart Bridges

S M Bridges
Director

Date: 31-Oct-2022 | 6:40 AM BIT

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

Opinion

We have audited the financial statements of PNMSOFT UK Limited (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director with respect to going concern are described in the relevant sections of this report.

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Director's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

Responsibilities of Director

As explained more fully in the Director's Responsibilities Statement set out on page 5, the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director intends either to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: *employment regulation, health and safety regulation, anti-bribery, corruption and fraud and anti-money laundering regulation.*

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

PNMSOFT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNMSOFT UK LIMITED

In addition, we evaluated the Director's and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:


- Making enquiries of the Director and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.


Bob Johnson (Oct 31, 2022 20:35 GMT)

Paul Johnson (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date: Oct 31, 2022

PNMSOFT UK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	6,743,323	6,183,133
Cost of sales		(5,550,253)	(4,754,986)
Gross profit		<u>1,193,070</u>	<u>1,428,147</u>
Administrative expenses		(991,189)	(1,152,612)
Operating profit	5	<u>201,881</u>	<u>275,535</u>
Interest receivable and similar income	9	-	62
Interest payable and expenses	10	(91,535)	(220,670)
Profit before tax		<u>110,346</u>	<u>54,927</u>
Tax on profit	11	(18,232)	(23,109)
Profit for the financial year		<u><u>92,114</u></u>	<u><u>31,818</u></u>

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 14 to 30 form part of these financial statements.

PNMSOFT UK LIMITED
REGISTERED NUMBER: 05366382

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	12	7,543	16,339
Current assets			
Debtors	13	8,271,364	5,351,421
Cash and cash equivalents	14	4,409,684	3,251,086
		<u>12,681,048</u>	<u>8,602,507</u>
Creditors: Amounts falling due within one year	15	(11,698,185)	(7,718,896)
Net current assets		982,863	883,611
Provisions for liabilities			
Deferred taxation	17	-	(1,658)
Net assets		<u>990,406</u>	<u>898,292</u>
Capital and reserves			
Called up share capital	18	100	100
Share premium account	19	359,998	359,998
Profit and loss account	19	630,308	538,194
		<u>990,406</u>	<u>898,292</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Stuart Bridges

S M Bridges
 Director

Date: 31-Oct-2022 | 6:40 AM BIT

The notes on pages 14 to 30 form part of these financial statements.

PNMSOFT UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	100	359,998	538,194	898,292
Comprehensive income for the year				
Profit for the year	-	-	92,114	92,114
Total comprehensive income for the year	-	-	92,114	92,114
Total transactions with owners	-	-	-	-
At 31 December 2021	100	359,998	630,308	990,406

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020 (restated)	100	359,998	506,376	866,474
Comprehensive income for the year				
Profit for the year	-	-	31,818	31,818
Total comprehensive income for the year	-	-	31,818	31,818
Total transactions with owners	-	-	-	-
At 31 December 2020	100	359,998	538,194	898,292

The notes on pages 14 to 30 form part of these financial statements.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

PNMSOFT UK Limited is a private Company, limited by shares, domiciled and incorporated in England and Wales. The address of its registered office and principal place of business is 6 Lloyds Avenue, Suite 4cl, London, EC3N 3AX. Company number 05366382.

The principal activity of the Company is of consultancy services.

The financial statements are prepared in Pounds Sterling as this is the functional currency of the economic environment in which the Company operates.

Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The results of the Company are included in the consolidated financial statements of Genpact Limited, registered office Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda.

The preparation of financial statements in compliance with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3.)

The following principal accounting policies have been applied:

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of Genpact Limited as at December 2021 and these financial statements may be obtained from <https://www.sec.gov/edgar/browse/?CIK=1398659&owner=exclude>.

2.3 Going concern

These financial statements have been prepared on a going concern basis. The Directors have received assurance from the ultimate parent undertaking, Genpact Limited Bermuda, that they will receive financial assistance as necessary to continue to enable PNMSOFT UK Limited to continue to meet its liabilities as they fall due for the foreseeable future which is expected to be more than 12 months post signing of the financial statements.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Impact of new international reporting standards, amendments and interpretations

The following IFRS standards, amendments and interpretations became effective during the financial year beginning on 1 January 2021:

- Covid-19 – Related Rent Concessions (Amendment to IFRS 16). The amendment provides lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification and is effective for annual reporting periods beginning on or after 1 April 2021.
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16). This amendment clarifies that hedge accounting is not discontinued solely because of the IBOR reform, and is effective for annual reporting periods beginning on or after January 2021.

These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.6 Revenue

The Company derives its revenue primarily from business process management services, including analytics, consulting and related digital solutions and information technology services, which are provided primarily on a time-and-material, transaction or fixed-price basis. The Company recognizes revenue upon the transfer of control of promised services to its clients in an amount that reflects the consideration the Company expects to receive in exchange for those services. Revenues from services rendered under time-and-materials and transaction-based contracts are recognized as the services are provided. The Company's fixed-price contracts include contracts for customization of applications, maintenance and support services. Revenues from these contracts are recognized ratably over the term of the agreement. The Company accrues for revenue and unbilled receivables for services rendered between the last billing date and the balance sheet date.

The Company records deferred revenue attributable to certain process transition activities where such activities do not represent separate performance obligations. Revenues relating to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. Costs relating to such transition activities are fulfillment costs which are directly related to the contract and result in the generation or enhancement of resources. Such costs are expected to be recoverable under the contract and are therefore classified as contract cost assets and recognized ratably over the estimated expected period of benefit under cost of revenue.

Revenues are reported net of value-added tax, business tax and applicable discounts and allowances. Reimbursements of out-of-pocket expenses received from clients have been included as part of revenues.

The Company enters into multiple-element revenue arrangements in which a client may purchase a combination of products or services. The Company determines whether each product or service promised to a client is capable of being distinct, and is distinct in the context of the contract. If not, the promised products or services are combined and accounted for as a single performance obligation. In the event of a multiple-element revenue arrangement, the Company allocates the arrangement consideration to separately identifiable performance obligations based on their relative stand-alone selling prices.

Certain contracts may include offerings such as sale of licenses, which may be perpetual or subscription-based. Revenue from distinct perpetual licenses is recognized upfront at the point in time when the software is made available to the customer. Revenue from distinct, non-cancellable, subscription-based licenses is recognized at the point in time it is transferred to the clients. Revenue from any associated maintenance or ongoing support services is recognized ratably over the term of the contract. For a combined software license/services performance obligation, revenue is recognized over the period that the services are performed.

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.7 Leased assets: the Company as lessee

Rental contracts are typically made for fixed periods.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants other than the security interest in the leased assets that are held by the lessor. Lease assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased assets are available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The incremental borrowing rate has been assessed with reference to a third party financing rate for an equivalent term.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives

The lease liability is included in 'Creditors' on the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lessor transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the 'Tangible Fixed Assets' lines, as applicable, in the Balance Sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.11.

As a practical expedient, IFRS 16 permits a lessee not to separate lease and non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- over 4 years
Fixtures and fittings	- over 4 years
Right-of-use asset	- over the life of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable on demand. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. Provisions are discounted to their present values, where the time value of money is material.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised or at FVOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.16 Financial instruments (continued)

Financial liabilities

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the Director is required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Director's judgements, estimates and assumptions are based on the best and most reliable evidence at the time when the decisions are made, and based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects both current and future periods.

There are no material judgements or estimates during the year ended 31 December 2021.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Consultancy services	6,743,323	6,183,133

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	4,560,362	4,091,547
Rest of the world	2,182,961	2,091,586
	<u>6,743,323</u>	<u>6,183,133</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	8,796	30,654
Exchange differences	(109,817)	(88,762)
	<u> </u>	<u> </u>

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	11,698	9,748
	<u> </u>	<u> </u>
Fees payable to the Company's auditor in respect of:		
All other services	1,500	1,400
	<u> </u>	<u> </u>

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Employees

The average monthly number of employees, including the Director, during the year was as follows:

	2021 No.	2020 No.
Chargeable staff	16	20

8. Employee costs

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	1,756,928	2,059,722
Social security costs	242,490	244,041
Cost of defined contribution scheme	142,419	138,831
	<u>2,141,837</u>	<u>2,442,594</u>

The Director received no remuneration during the year (2020 - £Nil).

9. Interest receivable

	2021 £	2020 £
Other interest receivable	-	62

10. Interest payable and similar expenses

	2021 £	2020 £
Interest payable and expenses	-	36
Interest on intercompany loan	91,535	220,634
	<u>91,535</u>	<u>220,670</u>

PNMSOFT UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Taxation

	2021	2020
	£	£
Corporation tax		
Current tax on profits for the year	27,687	15,415
Adjustments in respect of previous periods	(3,197)	7,694
	24,490	23,109
Deferred tax		
Origination and reversal of timing differences	(6,258)	-
	(6,258)	-
Taxation on profit on ordinary activities	18,232	23,109

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£	£
Profit on ordinary activities before tax	110,346	54,927
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	20,966	10,436
Effects of:		
Expenses not deductible for tax purposes	463	4,979
Adjustments to tax charge in respect of prior periods	(3,197)	7,694
Total tax charge for the year	18,232	23,109

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Right-of-use asset £	Total £
Cost or valuation				
At 1 January 2021	26,907	152,230	78,670	257,807
At 31 December 2021	<u>26,907</u>	<u>152,230</u>	<u>78,670</u>	<u>257,807</u>
Depreciation				
At 1 January 2021	26,907	135,891	78,670	241,468
Charge for the year	-	8,796	-	8,796
At 31 December 2021	<u>26,907</u>	<u>144,687</u>	<u>78,670</u>	<u>250,264</u>
Net book value				
At 31 December 2021	<u>-</u>	<u>7,543</u>	<u>-</u>	<u>7,543</u>
At 31 December 2020	<u>-</u>	<u>16,339</u>	<u>-</u>	<u>16,339</u>

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Debtors

	2021 £	2020 £
Trade debtors	74,668	443,217
Amounts owed by group undertakings (note 21)	7,995,937	4,312,011
Other debtors	187,424	579,236
Prepayments and accrued income	8,735	16,957
Deferred taxation (note 17)	4,600	-
	<u>8,271,364</u>	<u>5,351,421</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>4,409,684</u>	<u>3,251,086</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	18,428	24,114
Amounts owed to group undertakings (note 21)	10,920,325	7,077,637
Corporation tax	24,490	23,109
Other taxation and social security	203,077	148,227
Other creditors	11,634	57,110
Accruals and deferred income	520,231	388,699
	<u>11,698,185</u>	<u>7,718,896</u>

Interest payable on intercompany loans is charged at a rate of 3 month LIBOR plus a margin of 1.51%.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	4,409,684	3,251,086
Financial assets that are debt instruments measured at amortised cost	8,258,029	5,334,464
	<u>12,667,713</u>	<u>8,585,550</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(11,470,618)	(7,547,560)

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, amounts owed to group undertakings, other creditors, lease liability and accruals.

The Company uses various financial instruments which include cash, overdrafts, intra group borrowings, equity and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to finance the working capital of the Company's operations.

The main risks arising from the Company's financial instruments are interest rate risk, currency risk, liquidity risk and credit risk. The Director reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Company seeks to reduce its exposure to interest rate risk where possible, but this is offset by the availability of trade finance arrangements which are transaction specific to meet liquidity needs and so have variable interest rate terms.

Foreign currency risk

The Company's functional currency is Sterling and as such the Company is exposed to foreign exchange movements on monetary assets and liabilities denominated in other currencies. Currently there are no foreign exchange hedge programmes in place. However, the treasury function manages the purchase of foreign currency to meet operational requirements.

Liquidity risk

The Company seeks to manage financial risk, to ensure financial liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved through trade finance arrangements, overdrafts and intra group borrowing facilities.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Financial instruments (continued)

Credit risk

The Company's principal financial assets are cash and trade receivables. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade receivables.

In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references and these limits are reviewed regularly.

17. Deferred taxation

	2021 £
At beginning of year	(1,658)
Charged to profit or loss	6,258
At end of year	<u>4,600</u>

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(612)	(1,658)
Other timing differences	5,212	-
	<u>5,212</u>	<u>(1,658)</u>

18. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

The shares have attached to them full voting and distribution rights but no right of redemption.

PNMSOFT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Reserves

Share premium account

This reserve represents the excess in consideration paid over the nominal value of shares issued.

Profit and loss account

This reserve represents the accumulated profits and losses of the Company, less any dividends paid.

20. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £142,419 (2020 - £138,831). Contributions totalling £11,634 (2020 - £11,597) were payable to the fund at the balance sheet date and are included within creditors.

21. Related party transactions

As a wholly owned subsidiary of Genpact Limited, the Company is exempt from the requirements of IAS 24 Related Party Disclosures to disclose transactions with other members of the group headed by Genpact Limited.

22. Ultimate parent company and controlling party

The ultimate parent Company is Genpact Limited, a company incorporated in Bermuda.

The Company's immediate parent undertaking is PNMSOFT Israel, a company incorporated in Israel.

The largest and smallest group in which the results of the Company are consolidated is that headed by the company's ultimate parent undertaking, Genpact Limited. The consolidated Financial Statements of the ultimate parent company are available to the public at <https://www.sec.gov/edgar/browse/?CIK=1398659&owner=exclude>.